

AMENDED IN SENATE JULY 1, 2014
AMENDED IN SENATE JUNE 10, 2014
AMENDED IN ASSEMBLY MAY 7, 2014
AMENDED IN ASSEMBLY APRIL 10, 2014
AMENDED IN ASSEMBLY MARCH 17, 2014
CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1566

Introduced by Assembly Member Holden

January 29, 2014

An act to amend Sections 19227, 19302, 19304, 19305.5, 19306, 19312, 19313.8, 19314, and 19315 of the Food and Agricultural Code, and to amend Sections 2460, 2462, 2464, 2466, 2468, 2470, 2472, ~~and 2476~~ 2476, ~~and 40303.5~~ of, and to add Sections 2480 and 2482 to, the Vehicle Code, relating to inedible kitchen grease, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 1566, as amended, Holden. Inedible kitchen grease.

(1) Existing law generally regulates persons engaged in certain businesses dealing with dead animals and pet food processing, including, among others, renderers, collection center operators, pet food processors, dead animal haulers, and transporters of inedible kitchen grease, as defined. These regulatory provisions are enforced by the Department of Food and Agriculture.

Existing law requires licensed renderers and collection centers to pay a specified license fee. Existing law operative until July 1, 2015, and

repealed as of January 1, 2016, authorizes the department to assess an additional fee for purposes of administering the provisions regulating these renderers and collection centers. Existing law requires fees collected pursuant to these provisions to be deposited into the Department of Food and Agriculture Fund and continuously appropriates the collected funds for the purposes described above.

This bill would extend the operation of these provisions until July 1, 2020, and would repeal them as of January 1, 2021. By extending the operation of provisions that require the collection and deposit of funds that are continuously appropriated, this bill would make an appropriation.

(2) Existing law authorizes the department to issue licenses to renderers and collection centers and to issue registration certifications to persons engaged in the transportation of inedible kitchen grease. Existing law authorizes the department to refuse to issue a license to a renderer or collection center, after notice and hearing, unless the applicant satisfies specified requirements. The department is also authorized to suspend or revoke a transporter's registration upon making specified findings and to establish procedures for an appeal of that suspension or revocation.

This bill would impose additional requirements upon an applicant for a rendering license and collection center license, and for registration as a certificated transporter. The bill would delete the requirement for a notice and hearing before refusing to issue a license and would instead authorize a person to whom the department refuses to issue a rendering or collection center license to appeal to the department, pursuant to a specified procedure. The bill would authorize the department to suspend or revoke a renderer license or collection center license if the department makes specified findings and would establish a procedure for appealing the suspension or revocation of a license. The bill would require the department to adopt regulations that specify the maximum time period for which a refusal of registration as a certificated transporter, and a suspension or denial of that registration, may be imposed.

(3) Existing law requires registered transporters of inedible kitchen grease to pay a specified registration fee. Existing law operative until July 1, 2015, and repealed as of January 1, 2016, authorizes the department to assess an additional fee for purposes of administering the provisions regulating these transporters. Existing law exempts from 75% of the additional fee a registered transporter who transports inedible kitchen grease for his or her own personal, noncommercial use as an

alternative fuel, subject to specified requirements. A violation of these provisions is a crime. Existing law requires fees collected pursuant to these provisions to be deposited into the Department of Food and Agriculture Fund and continuously appropriates the collected funds for the purposes described above.

This bill would extend the operation of these provisions until July 1, 2020, and would repeal them on January 1, 2021. By extending the operation of provisions that require the collection and deposit of funds that are continuously appropriated, this bill would make an appropriation. By extending the operation of an existing crime, this bill would impose a state-mandated local program.

(4) Existing law prohibits a registered transporter or any other person from taking possession of inedible kitchen grease from an unregistered transporter, or knowingly taking possession of stolen inedible kitchen grease. A violation of the provisions regulating renderers is a crime.

This bill would additionally prohibit taking possession of inedible kitchen grease from an unlicensed collection center or an unlicensed renderer. By expanding the scope of an existing crime, this bill would impose a state-mandated local program.

(5) Existing law requires every licensed renderer to record and keep for 2 years records containing specified information, including the name, address, and registration number of every transporter of inedible kitchen grease who has delivered to the renderer, the total amount of inedible kitchen grease purchased in each transaction, and the date of each transaction. Existing law provides that any licensed renderer who fails to keep specified records, and any licensed renderer or registered transporter who refuses, upon demand of any peace officer, to exhibit any required records, is guilty of a misdemeanor punishable by: (1) for a first offense, a fine of \$500, imprisonment in a county jail, or both the fine and imprisonment; (2) for a 2nd offense within a period of one year, by a fine of not less than \$1,000, imprisonment in a county jail, or both the fine and imprisonment; (3) for a 3rd or any subsequent offense within a period of 2 years, by a fine of not less than \$2,000, imprisonment in a county jail, or both the fine and imprisonment.

This bill would increase the amount of these fines to \$1,000, \$5,000, and \$10,000, respectively. The bill would apply these provisions to licensed collection centers, as defined. The bill would additionally allow for the inspection of any required records by an authorized employee of the Department of the California Highway Patrol or the Department of Food and Agriculture. By expanding the scope of crimes, this bill

would impose a state-mandated local program. This bill would make conforming and clarifying changes to other provisions of existing law to remove a conflict in those provisions.

(6) Existing law prohibits any person from engaging in the transportation of inedible kitchen grease without being registered with the Department of Food and Agriculture and without being in possession of a valid registration certificate issued by the department. Existing law prohibits a licensed renderer, registered transporter, or any other person from taking possession of inedible kitchen grease from an unregistered transporter, or knowingly take possession of stolen inedible kitchen grease. Violation of these provisions is punishable by a fine, imprisonment in a county jail, or both the fine and imprisonment, as specified.

This bill would additionally require possession of a manifest, as defined, for the inedible kitchen grease being transported. The bill would additionally prohibit a renderer, registered transporter, or any other person from taking possession of inedible kitchen grease from an unlicensed renderer or collection center. By expanding the scope of existing crimes, this bill would impose state-mandated local programs.

This bill would authorize a peace officer to remove a vehicle, within the territorial limits in which the officer may act, if the vehicle is involved in the theft or movement of stolen inedible kitchen grease. The bill would authorize the peace officer to seize and impound the vehicle, after citing or arresting the responsible person, for up to 15 days, as specified.

This bill would require each vehicle transporting inedible kitchen grease to display both a specified decal and certain information on the front doors of the vehicle, as specified. *By creating a new crime, this bill imposes a state-mandated local program. The bill would specify that a violation of these provisions is a correctable offense.*

(7) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 19227 of the Food and Agricultural Code
2 is amended to read:

3 19227. (a) In addition to the license fee required pursuant to
4 Section 19225, the department may charge each licensed renderer
5 and collection center an additional fee necessary to cover the
6 reasonable costs of administering Article 6 (commencing with
7 Section 19300) and Article 6.5 (commencing with Section 19310).
8 The additional fees authorized to be imposed by this section may
9 not exceed three thousand dollars (\$3,000) per year per each
10 licensed rendering plant or collection center.

11 (b) The secretary shall fix the annual fee established pursuant
12 to this section and may fix different fees for renderers and
13 collection centers. The secretary shall also fix the date the fee is
14 due and the method of collecting the fee. If an additional fee is
15 imposed on licensed renderers pursuant to subdivision (a) and an
16 additional fee is imposed on registered transporters pursuant to
17 subdivision (a) of Section 19315, only one additional fee may be
18 imposed on a person or firm that is both licensed as a renderer
19 pursuant to Article 6 (commencing with Section 19300) and
20 registered as a transporter of inedible kitchen grease pursuant to
21 Article 6.5 (commencing with Section 19310), which fee shall be
22 the higher of the two fees.

23 (c) If the fee established pursuant to this section is not paid
24 within one calendar month of the date it is due, a penalty shall be
25 imposed in the amount of 10 percent per annum on the amount of
26 the unpaid fee.

27 (d) This section shall become inoperative on July 1, 2020, and,
28 as of January 1, 2021, is repealed, unless a later enacted statute,
29 that becomes operative on or before January 1, 2021, deletes or
30 extends the dates on which it becomes inoperative and is repealed.

31 SEC. 2. Section 19302 of the Food and Agricultural Code is
32 amended to read:

33 19302. (a) The department may refuse to issue a license if the
34 department finds that the applicant does not meet one or more of
35 the following requirements:

36 (1) The applicant is properly equipped to engage in the business
37 of rendering or operating a collection center. For these purposes,

1 the department shall consult with the rendering industry to
2 determine the equipment that shall be required.

3 (2) The applicant has never been convicted of a felony involving
4 adulterated or misbranded food.

5 (3) The applicant has not violated this article or Article 6.5
6 (commencing with Section 19310), or any regulations adopted to
7 implement those provisions.

8 (b) A person to whom the department refuses to issue a license
9 may appeal to the department within 20 days of the date of
10 receiving notification of the refusal, in the following manner:

11 (1) The appeal shall be in writing and signed by the appellant
12 or his or her authorized agent and shall state the grounds for the
13 appeal.

14 (2) A party, at the time of filing the appeal, or within 10 days
15 after filing the appeal, may present written evidence and a written
16 argument to the department.

17 (3) The department may grant oral arguments upon application
18 made at the time written arguments are made.

19 (4) If an application to present an oral argument is granted, the
20 department shall give written notice of the time and place for the
21 oral argument at least 10 days prior to the date set for the oral
22 argument. This time requirement may be altered by an agreement
23 between the department and the person appealing the refusal to
24 issue the license.

25 (5) The department shall decide the appeal on any oral or written
26 arguments, briefs, and evidence that the department receives.

27 (6) The department shall render a written decision within 45
28 days of the date of appeal, or within 15 days of the date of oral
29 arguments. A copy of the department's decision shall be delivered
30 or mailed to the appellant.

31 (7) The department may sustain the decision to refuse to issue
32 a license or reverse that decision.

33 (8) The appellant may seek a review of the decision of the
34 department pursuant to Section 1094.5 of the Code of Civil
35 Procedure.

36 SEC. 3. Section 19304 of the Food and Agricultural Code is
37 amended to read:

38 19304. All records required to be retained pursuant to this
39 chapter shall be maintained for two years at the regular place of
40 business of every renderer and collection center operator licensed

1 pursuant to this article and every transporter registered pursuant
2 to Article 6.5 (commencing with Section 19310). Those records
3 shall be exhibited on demand to any peace officer or authorized
4 employee of the Department of the California Highway Patrol and
5 the Department of Food and Agriculture.

6 SEC. 4. Section 19305.5 of the Food and Agricultural Code is
7 amended to read:

8 19305.5. (a) The department may suspend or revoke a renderer
9 license or collection center license at any time, if it finds any of
10 the following has occurred:

11 (1) The licensee has sold or offered for sale to an unlicensed
12 person, any inedible kitchen grease.

13 (2) The licensee has stolen, misappropriated, contaminated, or
14 damaged inedible kitchen grease or containers of inedible kitchen
15 grease.

16 (3) The licensee has violated any provision of this article or any
17 regulations adopted to implement this article.

18 (4) The licensee has taken possession of inedible kitchen grease
19 from an unregistered transporter or has knowingly taken possession
20 of inedible kitchen grease that has been stolen.

21 (b) The licensee may appeal any suspension or revocation
22 decision to the department within 20 days of the date of receiving
23 notification of the suspension or revocation, pursuant to the
24 following procedure:

25 (1) The appeal shall be in writing and signed by the appellant
26 or his or her authorized agent and shall state the grounds for the
27 appeal.

28 (2) A party, at the time of filing the appeal, or within 10 days
29 after filing the appeal, may present written evidence and a written
30 argument to the department.

31 (3) The department may grant oral arguments upon application
32 made at the time written arguments are made.

33 (4) If an application to present an oral argument is granted, the
34 department shall give written notice of the time and place for the
35 oral argument at least 10 days prior to the date set for an oral
36 argument. This time requirement may be altered by an agreement
37 between the department and the person appealing the suspension
38 or revocation of the license.

39 (5) The department shall decide the appeal on any oral or written
40 arguments, briefs, and evidence that the department receives.

(6) The department shall render a written decision within 45 days of the date of appeal, or within 15 days of the date of oral arguments. A copy of the department's decision shall be delivered or mailed to the appellant.

(7) The department may sustain the suspension or revocation decision or reverse that decision.

(8) The appellant may seek a review of the decision of the department pursuant to Section 1094.5 of the Code of Civil Procedure.

SEC. 5. Section 19306 of the Food and Agricultural Code is amended to read:

19306. (a) Any renderer or collection center operator licensed pursuant to this article or transporter registered pursuant to Article 6.5 (commencing with Section 19310) who fails in any respect to keep the written records required by this article, or to set out in that written record any matter required by this article to be set out in the record, is guilty of a misdemeanor.

(b) Every renderer, collection center operator, or transporter who refuses, upon demand of any peace officer or authorized employee of the Department of the California Highway Patrol and the Department of Food and Agriculture, to exhibit any written record required by this article, or who destroys that record within two years after making the final entry of any information required by this article, is guilty of a misdemeanor.

(c) Any violation of subdivision (a) or (b) is punishable as follows:

(1) For a first offense, by a fine of not less than one thousand dollars (\$1,000) or by imprisonment in a county jail for not more than 30 days, or by both the fine and imprisonment.

(2) For a second offense within a period of one year, by a fine of not less than five thousand dollars (\$5,000) or by imprisonment in a county jail for not more than 30 days, or by both the fine and imprisonment. In addition to any other punishment imposed pursuant to this paragraph, the court may order the defendant to stop engaging in the business as a renderer, collection center operator, or transporter for a period not to exceed 30 days.

(3) For a third or any subsequent offense within a period of two years, by a fine of not less than ten thousand dollars (\$10,000) or by imprisonment in a county jail for not more than six months, or by both the fine and imprisonment. In addition to any other

1 sentence imposed pursuant to this paragraph, the court shall order
2 the defendant to stop engaging in the business as a renderer,
3 collection center operator, or transporter for a period of 30 days.

4 SEC. 6. Section 19312 of the Food and Agricultural Code is
5 amended to read:

6 19312. (a) Registration shall be made with the department and
7 shall include all of the following:

8 (1) The applicant's name and address.

9 (2) A description of the operations to be performed by the
10 applicant.

11 (3) The vehicles to be used in the transportation.

12 (4) A registration fee of one hundred dollars (\$100).

13 (5) A list of the names of the drivers employed by the transporter
14 who transport inedible kitchen grease subject to this article and
15 their drivers' license numbers.

16 (6) Any other information that may be required by the
17 department.

18 (b) Any renderer or collection center that registers pursuant to
19 this article is not required to pay the fee prescribed in this section.

20 (c) The department may refuse to issue an original or renewal
21 registration certificate to an applicant for either of the following
22 reasons:

23 (1) The existence of the grounds specified in subdivisions (a)
24 to (e), inclusive, of Section 19314.

25 (2) A failure to pay, in full by the established due date, any
26 penalty levied by the department for a previous violation of this
27 article or Article 6 (commencing with Section 19300).

28 (d) (1) The applicant may appeal the decision of the department
29 to refuse to register the applicant.

30 (2) The department shall establish procedures for the appeals
31 process, to include a noticed hearing.

32 (3) The department may reverse a decision to refuse to register
33 the applicant, upon a finding of good cause to do so.

34 (e) The department shall adopt regulations that specify the
35 maximum time period for which a refusal of registrations may be
36 imposed, based on the severity or the number of violations that
37 are the basis of the department's action. The time period for the
38 refusal of registration shall not exceed three years from the date
39 the refusal of registration is imposed.

1 SEC. 7. Section 19313.8 of the Food and Agricultural Code is
2 amended to read:

3 19313.8. A registered transporter or any other person shall not
4 take possession of inedible kitchen grease from an unregistered
5 transporter, an unlicensed collection center, or an unlicensed
6 renderer, or knowingly take possession of stolen inedible kitchen
7 grease.

8 SEC. 8. Section 19314 of the Food and Agricultural Code is
9 amended to read:

10 19314. The department may suspend or revoke a registration
11 certificate, at any time, if it finds any of the following has occurred:

12 (a) The registrant has sold or offered for sale to an unlicensed
13 person, any inedible kitchen grease.

14 (b) The registrant has stolen, misappropriated, contaminated,
15 or damaged inedible kitchen grease or containers of inedible
16 kitchen grease.

17 (c) The registrant has violated this article or any regulations
18 adopted to implement this article.

19 (d) The registrant has taken possession of inedible kitchen grease
20 from an unregistered transporter or has knowingly taken possession
21 of inedible kitchen grease that has been stolen.

22 (e) The registrant has been found to have engaged in, or aided
23 and abetted another person or entity in the commission of, any
24 violation of a statute, regulation, or order relating to the
25 transportation or disposal of inedible kitchen grease, including a
26 violation of the federal Water Pollution Control Act (33 U.S.C.
27 Sec. 1251 et seq.), the Porter-Cologne Water Quality Control Act
28 (Division 7 (commencing with Section 13000) of the Water Code),
29 Section 5650 of the Fish and Game Code, commercial vehicle
30 weight limits, or commercial vehicle hours of service.

31 (f) For purposes of this section, “registrant” includes any
32 business entity, trustee, officer, director, partner, person, or other
33 entity holding more than 5 percent equity, ownership, or debt
34 liability in the registered entity engaged in the transportation of
35 inedible kitchen grease.

36 (g) (1) The registrant may appeal the suspension or revocation
37 decision of the department.

38 (2) The department shall establish procedures for the appeals
39 process, to include a noticed hearing.

1 (3) The department may reverse a suspension or revocation
2 upon a finding of good cause to do so.

3 (h) The department shall adopt regulations that specify the
4 maximum time period during which a suspension or revocation of
5 a registration certificate may be imposed, based on the severity or
6 the number of violations that are the basis of the department's
7 action. The time period for the suspension or revocation of the
8 registration certificate shall not exceed three years from the date
9 the suspension or revocation of the registration certificate is
10 imposed.

11 SEC. 9. Section 19315 of the Food and Agricultural Code is
12 amended to read:

13 19315. (a) Except as provided in subdivision (b), in addition
14 to the registration fee required by Section 19312, the department
15 may charge a fee necessary to cover the costs of administering this
16 article. Any additional fee charged pursuant to this section shall
17 not exceed three hundred dollars (\$300) per year per vehicle that
18 is operated to transport kitchen grease, and shall not exceed three
19 thousand dollars (\$3,000) per year per registered transporter.

20 (b) An individual registered pursuant to this article who
21 transports inedible kitchen grease for his or her own personal,
22 noncommercial use as an alternative fuel is exempt from 75 percent
23 of the fee charged pursuant to subdivision (a), and shall meet all
24 of the following requirements:

25 (1) The individual shall meet all other requirements of this
26 article.

27 (2) The individual shall not transport more than 55 gallons of
28 inedible kitchen grease per load for that purpose, and shall have
29 no more than 165 gallons of inedible kitchen grease in his or her
30 possession or control at any time.

31 (3) The individual shall not take any inedible kitchen grease
32 from a container owned by another registered transporter of
33 inedible kitchen grease or from an inedible kitchen grease provider
34 under contract with a registered transporter of inedible kitchen
35 grease or from a container owned by a renderer or collection center.

36 (4) The individual shall have a document in his or her possession
37 while transporting inedible kitchen grease signed by the responsible
38 party providing the inedible kitchen grease to the individual at the
39 source of the inedible kitchen grease that provides permission for
40 the inedible kitchen grease to be removed from that site.

1 (5) The individual shall specify where the inedible kitchen
2 grease is stored and processed as an alternative fuel, if that address
3 is different from the address included on the registration form for
4 that individual pursuant to Section 19312.

5 (6) The individual shall not sell, barter, or trade any inedible
6 kitchen grease.

7 (c) The secretary shall fix the annual fee established pursuant
8 to this section and may fix different fees for transporters of inedible
9 kitchen grease and collection centers, and for transporters of
10 interceptor grease. The secretary shall also fix the date the fee is
11 due and the method of collecting the fee. If an additional fee is
12 imposed on licensed renderers pursuant to subdivision (a) of
13 Section 19227 and an additional fee is imposed on registered
14 transporters pursuant to subdivision (a), only one additional fee
15 may be imposed on a person or firm that is both licensed as a
16 renderer pursuant to Article 6 (commencing with Section 19300)
17 and registered as a transporter of inedible kitchen grease pursuant
18 to this article, which fee shall be the higher of the two fees.

19 (d) If the fee established pursuant to this section is not paid
20 within one calendar month of the date it is due, a penalty shall be
21 imposed in the amount of 10 percent per annum on the amount of
22 the unpaid fee.

23 (e) This section shall become inoperative on July 1, 2020, and,
24 as of January 1, 2021, is repealed, unless a later enacted statute,
25 which becomes effective on or before January 1, 2021, deletes or
26 extends the dates on which it becomes inoperative and is repealed.

27 (f) For the purposes of this section, “interceptor grease” means
28 inedible kitchen grease that is principally derived from food
29 preparation, processing, or waste, and that is removed from a grease
30 trap or grease interceptor.

31 SEC. 10. Section 2460 of the Vehicle Code is amended to read:

32 2460. (a) The definitions set forth in Article 1 (commencing
33 with Section 19200) of Chapter 5 of Part 3 of Division 9 of the
34 Food and Agricultural Code apply for purposes of interpreting this
35 article. The definitions set forth elsewhere in this section also apply
36 for purposes of interpreting this article.

37 (b) A “licensed renderer” is a renderer licensed under Article 6
38 (commencing with Section 19300) of Chapter 5 of Part 3 of
39 Division 9 of the Food and Agricultural Code.

1 (c) A “registered transporter” is a transporter of inedible kitchen
2 grease registered under Article 6.5 (commencing with Section
3 19310) of Chapter 5 of Part 3 of Division 9 of the Food and
4 Agricultural Code.

5 (d) A “peace officer” is any peace officer defined in Chapter
6 4.5 (commencing with Section 830) of Title 3 of Part 2 of the Penal
7 Code.

8 (e) A “container” is a receptacle, including, but not limited to,
9 a box, barrel, tank, or jar, for holding meat or meat products,
10 poultry meat or poultry meat products, animal carcasses or parts,
11 inedible kitchen grease, packinghouse waste, or other such items.

12 (f) A “manifest” is a written or electronic record that contains
13 information required by Section 1180.24 of Article 42 of
14 Subchapter 2 of Chapter 4 of Division 2 of Title 3 of the California
15 Code of Regulations.

16 (g) “Transportation” means the movement of inedible kitchen
17 grease and the loading, unloading, or storage incidental to that
18 movement.

19 (h) “Inedible kitchen grease” means any fat or used cooking
20 grease or oils from any source.

21 (i) “Rendering” means all recycling, processing, and conversion
22 of animal and fish materials and carcasses and inedible kitchen
23 grease into fats, oils, proteins, and other products that are used in
24 the animal, poultry, and pet food industries and other industries.

25 (j) “Collection center” means a receiving area for the temporary
26 storage of animal carcasses, packinghouse waste, or other products
27 before transportation to a licensed rendering plant or pet food
28 processor.

29 (k) “Licensed collection center” means a collection center
30 licensed pursuant to Section 19300.5 of the Food and Agricultural
31 Code.

32 SEC. 11. Section 2462 of the Vehicle Code is amended to read:

33 2462. (a) In addition to any other records required to be
34 maintained and retained pursuant to Chapter 5 (commencing with
35 Section 19200) of Part 3 of Division 9 of the Food and Agricultural
36 Code, each licensed renderer and collection center shall record
37 and maintain for two years, in connection with the receipt of
38 kitchen grease that is not intended for human food, all of the
39 information required by Section 1180.24 of Article 42 of

Subchapter 2 of Chapter 4 of Division 2 of Title 3 of the California Code of Regulations, including, but not limited to, the following:

(1) The name of each registered transporter of inedible kitchen grease who has delivered that material to the licensed renderer or collection center.

(2) The total amount of inedible kitchen grease purchased in each transaction.

(3) The date of delivery for each transaction.

(b) Each registered transporter shall record and maintain for two years a manifest that includes, but is not limited to, all of the following:

(1) The name and address of each location from which the registered transporter obtained the inedible kitchen grease.

(2) The quantity of inedible kitchen grease received from each location.

(3) The date on which the inedible kitchen grease was obtained from each location.

SEC. 12. Section 2464 of the Vehicle Code is amended to read:

2464. All records required to be retained pursuant to this article shall be maintained and retained at the regular place of business of each licensed renderer, collection center, and registered transporter for two years. Those records shall be exhibited on demand to any peace officer or authorized employee of the Department of the California Highway Patrol or the Department of Food and Agriculture.

SEC. 13. Section 2466 of the Vehicle Code is amended to read:

2466. A peace officer or an authorized employee of the Department of the California Highway Patrol or the Department of Food and Agriculture may, during normal business hours, inspect any premises maintained by a licensed renderer, collection center, or registered transporter, and any inedible kitchen grease located on the premises, for the purpose of determining whether that renderer, collection center, or transporter is complying with the record maintenance requirements of this article.

SEC. 14. Section 2468 of the Vehicle Code is amended to read:

2468. (a) A licensed renderer, collection center, or registered transporter who fails in any respect to keep the records required by this article, or to set out in that record any matter required by this article to be set out in the record, is guilty of a misdemeanor.

(b) Each licensed renderer or collection center, or registered transporter, who refuses, upon demand of any peace officer or authorized employee of the Department of the California Highway Patrol or the Department of Food and Agriculture, to exhibit any record required by this article, or who destroys that record within two years after making the final entry of any information required by this article, is guilty of a misdemeanor.

(c) A violation of subdivision (a) or (b) is punishable as follows:

(1) For a first offense, by a fine of not less than one thousand dollars (\$1,000), or by imprisonment in the county jail for not more than 30 days, or by both that fine and imprisonment.

(2) For a second offense within a period of one year, by a fine of not less than five thousand dollars (\$5,000), or by imprisonment in the county jail for not more than 30 days, or by both that fine and imprisonment. In addition to any other punishment imposed pursuant to this paragraph, the court may enjoin the defendant from engaging in the business as a transporter, collection center, or renderer for a period not to exceed 30 days.

(3) For a third or any subsequent offense within a period of two years, by a fine of not less than ten thousand dollars (\$10,000), or by imprisonment in the county jail for not more than six months, or by both that fine and imprisonment. In addition to any other sentence imposed pursuant to this paragraph, the court shall enjoin the defendant from engaging in the business as a transporter, collection center, or renderer for a period of 30 days.

SEC. 15. Section 2470 of the Vehicle Code is amended to read:

2470. It is unlawful for a person to engage in the transportation of inedible kitchen grease without being registered with the Department of Food and Agriculture and without being in possession of a valid registration certificate issued by that department, or a copy of the certificate, and a manifest for the inedible kitchen grease being transported.

SEC. 16. Section 2472 of the Vehicle Code is amended to read:

2472. (a) It is unlawful for any person who is not a licensed renderer or collection center or registered transporter of inedible kitchen grease to transport that product from any place within this state to any place outside the borders of this state.

(b) It is unlawful for any person who is not a licensed renderer or collection center or registered transporter of inedible kitchen

1 grease to transport that product from any place outside this state
2 to any place inside the borders of this state.

3 SEC. 17. Section 2476 of the Vehicle Code is amended to read:

4 2476. A licensed renderer or collection center, registered
5 transporter, or any other person shall not take possession of inedible
6 kitchen grease from an unregistered transporter, unlicensed renderer
7 or collection center, or any other person, or knowingly take
8 possession of stolen inedible kitchen grease.

9 SEC. 18. Section 2480 is added to the Vehicle Code, to read:

10 2480. (a) A peace officer may remove a vehicle, within the
11 territorial limits in which the officer may act, if the vehicle is
12 involved in the theft or movement of stolen inedible kitchen grease.
13 If a peace officer removes a vehicle pursuant to this subdivision,
14 the officer may, after citing or arresting the responsible person,
15 seize the vehicle, which may be impounded for up to 15 days.

16 (b) The registered and legal owner of a vehicle removed and
17 seized pursuant to subdivision (a) or their agents shall be provided
18 the opportunity for a storage hearing to determine the validity of
19 the storage in accordance with Section 22852.

20 (c) (1) Notwithstanding Chapter 10 (commencing with Section
21 22650) or any other law, an impounding agency shall release a
22 motor vehicle to the registered owner or his or her agent prior to
23 the conclusion of the impoundment period described in subdivision
24 (a) under any of the following circumstances:

25 (A) If the vehicle is a stolen vehicle and reported as stolen in
26 accordance with then existing state and local law.

27 (B) If the legal owner or registered owner of the vehicle is a
28 rental car agency.

29 (C) If, prior to the conclusion of the impoundment period, a
30 citation or notice is dismissed under Section 40500, criminal
31 charges are not filed by the district attorney because of a lack of
32 evidence, or the charges are otherwise dismissed by the court.

33 (2) A vehicle shall be released pursuant to this subdivision only
34 if the registered owner or his or her agent presents a currently valid
35 driver's license to operate the vehicle and proof of current vehicle
36 registration, or if ordered by a court.

37 (d) A vehicle seized and removed pursuant to subdivision (a)
38 shall be released to the legal owner of the vehicle, or the legal
39 owner's agent, on or before the 15th day of impoundment if all of
40 the following conditions are met:

1 (1) The legal owner is a motor vehicle dealer, bank, credit union,
2 acceptance corporation, or other licensed financial institution
3 legally operating in this state, or is another person, not the
4 registered owner, holding a security interest in the vehicle.

5 (2) The legal owner or the legal owner's agent pays all towing
6 and storage fees related to the impoundment of the vehicle. No
7 lien sale processing fees shall be charged to a legal owner who
8 redeems the vehicle on or before the seventh day of impoundment.

9 (3) The legal owner or the legal owner's agent presents
10 foreclosure documents or an affidavit of repossession for the
11 vehicle.

12 (e) (1) The registered owner or his or her agent is responsible
13 for all towing and storage charges related to the impoundment,
14 and any administrative charges authorized under Section 22850.5.

15 (2) If the vehicle is a rental vehicle, the rental car agency may
16 require the person to whom the vehicle was rented to pay all towing
17 and storage charges related to the impoundment and any
18 administrative charges authorized under Section 22850.5 incurred
19 by the rental car agency in connection with obtaining possession
20 of the vehicle.

21 (3) The owner is not liable for any towing and storage charges
22 related to the impoundment if acquittal or dismissal occurs.

23 (4) The vehicle may not be sold prior to the defendant's
24 conviction.

25 SEC. 19. Section 2482 is added to the Vehicle Code, to read:

26 2482. (a) To assist law enforcement personnel in enforcing
27 this article, each vehicle transporting inedible kitchen grease shall
28 have a current registration decal issued by the Department of Food
29 and Agriculture permanently affixed and prominently displayed
30 on the upper right corner of the vehicle windshield or in a
31 conspicuous location on the right side of the trailer being towed.

32 (b) Each vehicle used in the transportation of inedible kitchen
33 grease shall conspicuously display the following information on
34 both front doors of the vehicle in letters not less than two inches
35 high:

36 (1) The name of the business or person registered as a transporter
37 with the Department of Food and Agriculture.

38 (2) The address of the company or owner, or the carrier
39 identification number issued by the California Highway Patrol.

(c) Removable signs shall also display the information specified in subdivision (b).

(d) A violation of this section shall be a correctable offense pursuant to Section 40303.5.

SEC. 20. Section 40303.5 of the Vehicle Code is amended to read:

40303.5. Whenever any person is arrested for any of the following offenses, the arresting officer shall permit the arrested person to execute a notice containing a promise to correct the violation in accordance with the provisions of Section 40610 unless the arresting officer finds that any of the disqualifying conditions specified in subdivision (b) of Section 40610 exist:

(a) Any registration infraction set forth in Division 3 (commencing with Section 4000).

(b) Any driver's license infraction set forth in Division 6 (commencing with Section 12500), and subdivision (a) of Section 12951, relating to possession of driver's license.

(c) Section 21201, relating to bicycle equipment.

(d) Any infraction involving equipment set forth in Division 12 (commencing with Section 24000), Division 13 (commencing with Section 29000), Division 14.8 (commencing with Section 34500), Division 16 (commencing with Section 36000), Division 16.5 (commencing with Section 38000), and Division 16.7 (commencing with Section 39000).

(e) Section 2482, relating to registration decals for vehicles transporting inedible kitchen grease.

~~SEC. 20.~~

SEC. 21. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.